



Virginia
Regulatory
Town Hall

Exempt Action Final Regulation Agency Background Document

Agency Name:	Dept. of Medical Assistance Services (12 VAC 30)
VAC Chapter Number:	Chapter 20 and 30
Regulation Title:	Mandatory coverage: Categorically needy and other required special groups.
Action Title:	Mandatory Coverage: Categorically Needy and Other Required Special groups: Specified Low Income Medicare Beneficiaries (SLMBs)
Date:	02/09/2001 to be effective 04/11/2001

Where an agency or regulation is exempt in part or in whole from the requirements of the Administrative Process Act (§ 9-6.14:1 *et seq.* of the *Code of Virginia*) (APA), the agency may provide information pertaining to the action to be included on the Regulatory Town Hall. The agency must still comply the requirements of the Virginia Register Act (§ 9-6.18 *et seq.* of the *Code of Virginia*) and file with the Registrar and publish their regulations in a style and format conforming with the *Virginia Register Form, Style and Procedure Manual*. The agency must also comply with Executive Order Fifty-Eight (99) which requires an assessment of the regulation's impact on the institution of the family and family stability.

This agency background document may be used for actions exempt pursuant to § 9-6.14:4.1(C) at the final stage. Note that agency actions exempt pursuant to § 9-6.14:4.1(C) of the APA do not require filing with the Registrar at the proposed stage.

In addition, agency actions exempt pursuant to § 9-6.14:4.1(B) of the APA are not subject to the requirements of the Virginia Register Act (§ 9-6.18 *et seq.* of the *Code of Virginia*) and therefore are not subject to publication. Please refer to the *Virginia Register Form, Style and Procedure Manual* for more information.

Summary

Please provide a brief summary of the proposed new regulation, amendments to an existing regulation, or the regulation being repealed. There is no need to state each provision or amendment or restate the purpose and intent of the regulation, instead give a summary of the regulatory action and alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

This action amends the Plan for Medical Assistance providing assistance to additional Specified Low Income Medicare Beneficiaries in conformance to P.L. 105-33 §4732 due to Congressional action. This action makes Medicaid eligibility available to previously not covered groups. The previously promulgated regulatory language (*Virginia Register* 14:5 pages 835 - 839) must be repealed, because the Health Care Financing Administration directed a specific placement in the State Plan, and the same policy re-promulgated in a new Plan section.

Statement of Final Agency Action

Please provide a statement of the final action taken by the agency .including the date the action was taken, the name of the agency taking the action, and the title of the regulation.

The Director of the Department of Medical Assistance Services adopted this final exempt regulation on .

Additional Information

Please indicate that the text of the proposed regulation, the reporting forms the agency intends to incorporate or use in administering the proposed regulation, a copy of any documents to be incorporated by reference are attached.

Please state that the Office of the Attorney General (OAG) has certified that the agency has the statutory authority to promulgate the proposed regulation and that it comports with applicable state and/or federal law. Note that the OAG’s certification is not required for Marine Resources Commission regulations.

If the exemption claimed falls under § 9-6.14:4.1(C) (4)(c) of the APA please include the federal law or regulations being relied upon for the final agency action.

The sections of the State Plan affected by this repealing action are coverage and conditions of Eligibility (Attachment 2.2-A (VR 460-02-2.2100) (12 VAC 30-40-220) and section 3.1(a)(4)(iii) and (iv) of the State Plan (VR 460-01-21 and 460-01-21.1, 460-01-29.1 (12 VAC 30-10-160)).

Sections 1902(a)(10)(E)(iii) and 1905(p)(3)(A)(ii) of the Social Security Act mandate that coverage for payment of Medicare Part B premiums be provided for qualified individuals. Currently, assistance in paying this premium is provided to individuals who are entitled to hospital insurance benefits under Medicare Part A, who have incomes between 100% and 120% of the Federal Poverty Income Guidelines (FPIGs) and whose resources do not exceed twice the maximum standard Resource Limit under SSI.

Section 4732 of the Balanced Budget Act of 1997 created a capped entitlement to fund two new groups who are eligible for assistance in meeting their costs of paying Medicare Part B premiums. While both of these new groups must meet previously established eligibility guidelines, income ranges for these new groups of individuals will

be higher. Individuals (to be known as QI-1s) who qualify for Medicare Part A whose income is between 120% and 135% of the FPIG will be eligible for payment of 100% of their Medicare Part B premiums. The individuals (to be known as QI-2s) whose incomes fall between 135% and 175% of the FPIG will be eligible to receive assistance with the portion of their Part B premium increase that is attributable to the impact of changes made in the Balanced Budget Act of 1997.

The Health Care Financing Administration (HCFA) did not advise the states until December 15, 1997, about the appropriate placement of these new covered groups in the State Plan. DMAS had already promulgated its first regulatory package (November, 1997), due to the Code's and Registrar's advance filing and publication requirements, when HCFA's instructions were received. Therefore, DMAS must repeal its previous action and promulgate this revised final regulation.

This regulatory action will not have any negative affects on the institution of the family or family stability. It will not increase or decrease disposable family income or erode the marital commitment. It will not discourage economic self-sufficiency, self-pride, nor the assumption of family responsibilities. The regulation will promote the stability of marriages when one spouse enters long-term care by protecting the community spouse from impoverishment, thus enabling the community spouse to maintain his or her independence in the community.

The OAG's certification as to the agency's authority to promulgate these regulations was dated .

Family Impact Statement

Please provide an analysis of the regulatory action that assesses the impact on the institution of the family and family stability including the extent to which the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

This regulatory action will not have any negative affects on the institution of the family or family stability. It will not increase or decrease disposable family income or erode the marital commitment. It will not discourage economic self-sufficiency, self-pride, nor the assumption of family responsibilities. The regulation will promote the stability of marriages when one spouse enters long-term care by protecting the community spouse from impoverishment, thus enabling the community spouse to maintain his or her independence in the community.